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# Message Text

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73
ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 DODE-00 FPC-01 H-02 INR-07 INT-05 L-02

NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03 SP-02 SS-15

STR-01 TRSE-00 FRB-03 FEA-01 PA-01 USIA-06 PRS-01

NIC-01 /093 W
---------- 009913
R 121340Z MAR 75
FM AMEMBASSY BUCHAREST
TO SECSTATE WASHDC 1972
INFO USDOC WASHDC
AMEMBASSY VIENNA
AMEMBASSY MOSCOW
AMEMBASSY SOFIA

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E.O. 11652: N/A
TAGS: BEXP ENRG RO
SUBJ: ROMANIAN BLACK SEA OIL EXPLORATION

REF: A) BUCH 932 B) BUCH 3369 (AUG 74)

1. BLACK SEA PROJECT MANAGER MIHAI LEU (DIRECTOR IN MINISTRY OF MINES, PETROLEUM AND GEOLOGY) GAVE US FURTHER BACKGROUND MARCH 12 ON STATE OF PLAY. OIL COMPANIES STILL IN CONTENTION NUMBER ABOUT 15, SAID LEU, OF WHICH SIX ARE AMERICAN: GULF, CITIES SERVICE, MARATHON, CONOCO, MOBIL (WITH BP), AND BUTTES GAS AND OIL. OCCIDENTAL NO LONGER APPEARS ON LIST. AMERICAN PROPOSALS HAVE BEEN WELL RECEIVED, AND NO COMPANY IS IN MORE ADVANTAGEOUS POSITION THAN STRONGEST CONTENDERS AMONG US FIRMS, LEU COMMENTED.

2. GOR LEADERSHIP STILL MUST MAKE SOME BASIC DECISIONS BEFORE FURTHER STEPS CAN BE TAKEN. YET TO BE DECIDED, FOR EXAMPLE,
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IS FORM OF FOREIGN PARTICIPATION AND WHETHER GOR WILL PICK SINGLE

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FOREIGN PARTNER OR PORTION OUT SECTORS OF PROMISING TERRITORY TO SEVERAL COMPANIES. LEU'S COMMENTS WOULD INDICATE THAT MINISTRY IS RECOMMENDING SINGLE PARTNER BE CHOSEN, FOR BOTH PROSPECTING AND EXTRACTION. ASKED IF ROMANIA HAD GIVEN THOUGHT TO GOING IT ALONE, LEU REPLIED OFFSHORE TECHNOLOGY WAS NEW TO ROMANIA, DESPITE ALMOST A HUNDRED YEARS OF EXPERIENCE ON LAND, AND TECHNICAL STAFF OF MINISTRY FELT NEED FOR FOREIGN ASSISTANCE. OFFSHORE DRILLING PLATFORM ACQUIRED BY ROMANIA FROM OFFSHORE COMPANY OF HOUSTON, EXPECTED

TO GO INTO ACTION MID-1976, WILL PROBABLY BE INCORPORATED INTO ARRANGEMENT WITH FOREIGN PARTNER, LEU SAID.

3. AREA OF GREATEST INTEREST AT PRESENT LIES 80-100 KM EAST OF CONSTANTA. ROMANIA IS CONCENTRATING ON AREAS WHERE NO BOUNDARY PROBLEMS CAN ARISE. IF LATER PROSPECTING LEADS TOWARD POSSIBLY DISPUTED AREAS, DISCUSSIONS WITH NEIGHBORING USSR AND BULGARIA WILL BE HELD AT THAT TIME, ACCORDING TO LEU.

4. NEXT STEP, TIMING OF WHICH CANNOT BE FORECAST, WILL BE SUPPLY OF ADDITIONAL SEISMIC DATA TO COMPETING COMPANIES. LEU MADE CLEAR THAT SUBSIDIARY "COOPERATION" OFFERS, ALTHOUGH NOT MANDATORY, WOULD GIVE A COMPANY A COMPETITIVE ADVANTAGE. HE MENTIONED AS EXAMPLES DISCUSSIONS WITH CONOCO FOR JOINT ONSHORE EXPLORATION IN IRAN AND WITH MARATHON ON SECONDARY OIL RECOVERY METHODS IN ROMANIA. A COMMITMENT TO PARTICIPATE IN ONE FORM OR ANOTHER PROPOSED REFINERY/PETROCHEMICAL COMPLEX NEAR CONSTANTA WOULD ALSO BE VIEWED FAVORABLY, LEU SAID.
BARNES

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# Message Attributes

**Automatic Decaptioning:** X
**Capture Date:** 01 JAN 1994
**Channel Indicators:** n/a
**Current Classification:** UNCLASSIFIED
**Concepts:** PETROLEUM INDUSTRY, OFFSHORE DRILLING, NEGOTIATIONS, JOINT VENTURES
**Control Number:** n/a
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**Draft Date:** 12 MAR 1975
**Decaption Date:** 01 JAN 1960
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**Status:** NATIVE
**Subject:** ROMANIAN BLACK SEA OIL EXPLORATION
**TAGS:** BEXP, ENRG, RO
**To:** STATE
**Type:** TE
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